

10
1800 M Street, N.W.
Washington, D.C. 20036-5869
202-467-7000
Fax: 202-467-7176

Morgan, Lewis
& Bockius LLP
C O U N S E L O R S A T L A W

Dennis N. Barnes
202-467-7060

RECORDATION NO. 21048 & A FILED

DEC 9 - '97 4-11 PM

December 9, 1997

BY HAND DELIVERY

RECORDATION NO. 21049 FILED

DEC 9 - '97 4-11 PM

Mr. Vernon A. Williams, Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

Re: CN 1997 Statutory Trust, Canadian National Railway Company, Connell Finance Company, Inc., State Street Bank and Trust Company of Connecticut, National Association, and First Security Bank, National Association -- Railroad Equipment Lease, Equipment Trust Agreement and Lease Assignment

Dear Mr. Williams:

I have enclosed two originals of each of the documents described below to be recorded pursuant to Section 11301 of Title 49 of the United States Code:

- 21048
Primary → (1) The Memorandum of Lease of Railroad Equipment dated as of October 15, 1997, between CN 1997 Statutory Trust and Canadian National Railway Company;
- (2) The Memorandum of Equipment Trust Agreement dated as of October 15, 1997 between CN 1997 Statutory Trust and First Security Bank, National Association; and
- 21048A → (3) The Memorandum of Lease Assignment dated as of October 15, 1997 between CN 1997 Statutory Trust and First Security Bank, National Association.

RECEIVED
SURFACE TRANSPORTATION
BOARD
DEC 9 4 11 PM '97

Mr. Vernon A. Williams, Secretary
December 9, 1997
Page 2

- Primary → 1. The Memorandum of Lease of Railroad Equipment is a primary document, dated as of October 15, 1997.

The names and addresses of the parties to the document are as follows:

Lessor: CN 1997 Statutory Trust, a statutory trust created under the laws of Connecticut pursuant to the Trust Agreement dated as of October 15, 1997 between Connell Finance Company, Inc., 45 Cardinal Drive, Westfield, New Jersey 07090-1099, and State Street Bank and Trust Company of Connecticut, National Association, 225 Asylum Street, Goodwin Square, Hartford, Connecticut 06103

Lessee: Canadian National Railway Company, 935 de La Gauchetiere Street West, Montreal, Quebec, Canada H3B 2M9

A description of the equipment covered by the lease document follows:

Fifty General Motors Model SD-40-3 diesel-electric locomotives, bearing the road numbers GCFX 6030 through GCFX 6079, and all additions thereto, alterations thereof, replacements thereof and substitutions therefor.

A short summary of the Memorandum of Lease of Railroad Equipment to appear in the index follows:

Memorandum of Lease of Railroad Equipment dated as of October 15, 1997 between Canadian National Railway Company and CN 1997 Statutory Trust, a statutory trust created under the laws of Connecticut pursuant to the Trust Agreement dated as of October 15, 1997 between Connell Finance Company, Inc. and State Street Bank and Trust Company of Connecticut, National Association, covering fifty General Motors Model SD-40-3 diesel-electric locomotives, bearing the road numbers GCFX 6030 through GCFX 6079, and all additions thereto, alterations thereof, replacements thereof and substitutions therefor.

Mr. Vernon A. Williams, Secretary
December 9, 1997
Page 3

2. The Memorandum of Equipment Trust Agreement is a primary document, dated as of October 15, 1997.

The names and addresses of the parties to the document are as follows:

Debtor: CN 1997 Statutory Trust, a statutory trust created under the laws of Connecticut pursuant to the Trust Agreement dated as of October 15, 1997 between Connell Finance Company, Inc., 45 Cardinal Drive, Westfield, New Jersey 07090-1099, and State Street Bank and Trust Company of Connecticut, National Association, 225 Asylum Street, Goodwin Square, Hartford, Connecticut 06103

Secured Party: First Security Bank, National Association, 79 South Main Street, Salt Lake City, Utah 84111

A description of the equipment covered by the document follows:

Fifty General Motors Model SD-40-3 diesel-electric locomotives, bearing the road numbers GCFX 6030 through GCFX 6079, all replacements thereof and substitutions therefor, all bills of sale and manufacturer's warranties in respect thereof, all improvements and additions now or hereafter made or affixed thereto, and all cash and non-cash proceeds therefrom, excluding, however, certain interests specified as "Excluded Interests" in said Equipment Trust Agreement.

A short summary of the Memorandum of Equipment Trust Agreement to appear in the index follows:

Memorandum of Equipment Trust Agreement dated as of October 15, 1997 between CN 1997 Statutory Trust and First Security Bank, National Association acting as security trustee under the Equipment Trust Agreement, covering fifty General Motors Model SD-40-3 diesel-electric locomotives, bearing the road numbers GCFX 6030 through GCFX 6079, all replacements thereof and substitutions therefor, all bills of sale and manufacturer's warranties in respect thereof, all improvements and additions now

Mr. Vernon A. Williams, Secretary
December 9, 1997
Page 4

or hereafter made or affixed thereto, and all cash and non-cash proceeds therefrom, excluding, however, certain interests specified as "Excluded Interests" in said Equipment Trust Agreement.

A → 3. The Memorandum of Lease Assignment dated as of October 15, 1997 is a secondary document, related to the Memorandum of Lease which is described in Item 1 above. Accordingly, the Memorandum of Lease Assignment should be indentified by a sub-number of the recordation number assigned to the primary document to which it relates.

The names and addresses of the parties to the document are as follows:

Assignor: CN 1997 Statutory Trust, a statutory trust created under the laws of Connecticut pursuant to the Trust Agreement dated as of October 15, 1997 between Connell Finance Company, Inc., 45 Cardinal Drive, Westfield, New Jersey 07090-1099, and State Street Bank and Trust Company of Connecticut, National Association, 225 Asylum Street, Goodwin Square, Hartford, Connecticut 06103

Assignee: First Security Bank, National Association, 79 South Main Street, Salt Lake City, Utah 84111

A description of the equipment covered by the Memorandum of Lease Assignment follows:

Fifty General Motors Model SD-40-3 diesel-electric locomotives, bearing the road numbers GCFX 6030 through GCFX 6079, and all additions thereto, alterations thereof, replacements thereof and substitutions therefor.

A short summary of the Memorandum of Lease Assignment to appear in the index follows:

Memorandum of Lease Assignment dated as of October 15, 1997 between CN 1997 Statutory Trust and First Security Bank, National Association covering 50 General Motors Model SD-40-3 diesel-electric locomotives, bearing the road numbers GCFX 6030 through GCFX 6079, and all additions thereto, alterations thereof, replacements thereof and substitutions therefor, and pursuant to which the Assignor is assigning to the Assignee all of its right, title and interests in and to the aforesaid Railroad Equipment, all payments due and to become due thereunder, all rights of the

Mr. Vernon A. Williams, Secretary
December 9, 1997
Page 5

Assignor to give consents, make elections, give or receive notices, give approvals and exercise all rights, powers and remedies of the Assignor thereunder, and all cash and non-cash proceeds therefrom, excluding, however, certain interests specified as "Excluded Interests" in said Equipment Trust Agreement.

A fee of \$72.00 is enclosed. Please return one original of each document and any extra copies not needed by the Board for recordation to:

Morgan, Lewis & Bockius LLP
1800 M Street, N.W.
Washington, D.C. 20036
Attn: Dennis N. Barnes, Esq.

If you have any questions concerning the enclosed documents, please contact the undersigned at (202) 467-7060.

Very truly yours,



Dennis N. Barnes
Attorney for Connell Finance Company, Inc.

Enclosures
DNB:ll

21048-A

MEMORANDUM OF LEASE ASSIGNMENT dated as of October 15, 1997, between CN 1997 STATUTORY TRUST, a Connecticut statutory trust (hereinafter called the **Assignor**), and FIRST SECURITY BANK, NATIONAL ASSOCIATION, a national banking association, acting as security trustee under the Equipment Trust Agreement referred to below (hereinafter, in such capacity, called the **Assignee**).

WHEREAS the Assignor is a statutory trust created under the laws of Connecticut pursuant to the Trust Agreement dated as of the date hereof between Connell Finance Company, Inc., and State Street Bank and Trust Company of Connecticut, National Association;

WHEREAS Canadian National Railway Company and the Assignor are entering into that certain Lease of Railroad Equipment dated as of the date hereof covering 50 General Motors model SD-40-3 diesel-electric locomotives, bearing the road numbers GCFX 6030 through GCFX 6079, and all additions thereto, alterations thereof, replacements thereof and substitutions therefor; and

WHEREAS the Assignor and the Assignee are entering into that certain Equipment Trust Agreement dated as of the date hereof, pursuant to which the Assignor is assigning to the Assignee all of its right, title and interest in and to the aforesaid Lease of Railroad Equipment, all payments due and to become due thereunder, all rights of the Assignor to give consents, make elections, give or receive notices, give approvals and exercise all rights, powers and remedies of the Assignor thereunder, and all cash and non-cash proceeds therefrom, excluding, however, certain interests specified as "Excluded Interests" in said Equipment Trust Agreement.

IN WITNESS WHEREOF, the parties wish to show for the public record the assignment of the aforesaid Lease of Railroad Equipment to the Assignee, and accordingly have caused this memorandum to be executed by their officers thereunto duly authorized, as of the date first above written.

CN 1997 STATUTORY TRUST,

by STATE STREET BANK AND TRUST COMPANY OF CONNECTICUT, NATIONAL ASSOCIATION, not in its individual capacity but solely as trustee,

by 

FIRST SECURITY BANK, NATIONAL ASSOCIATION, not in its individual capacity but solely as security trustee,

by _____

21048-A
RECORDATION NO. _____


FILED

DEC 9 - '97

4-11 PM

STATE OF CONNECTICUT)
)
COUNTY OF HARTFORD) SS.:

On this day of December, 1997, before me personally appeared ~~ASSISTANT VICE PRESIDENT KATHY A. LARIMORE~~ to me personally known, who, by me being duly sworn, says that he is a ~~ASSISTANT VICE PRESIDENT~~ of STATE STREET BANK AND TRUST COMPANY OF CONNECTICUT, NATIONAL ASSOCIATION, and that the foregoing instrument was signed on behalf of said association by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said association.


Notary Public

My commission expires

MELISSA A. DuMONT
NOTARY PUBLIC
MY COMMISSION EXPIRES AUG. 31, 2001

STATE OF UTAH)
)
COUNTY OF SALT LAKE) SS.:

On this day of December, 1997, before me personally appeared ~~KATHY A. LARIMORE~~ to me personally known, who, by me being duly sworn, says that he is an Assistant Vice President of FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, and that the foregoing instrument was signed on behalf of said association by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said association.

.....
Notary Public

My commission expires

MEMORANDUM OF LEASE ASSIGNMENT dated as of October 15, 1997, between CN 1997 STATUTORY TRUST, a Connecticut statutory trust (hereinafter called the **Assignor**), and FIRST SECURITY BANK, NATIONAL ASSOCIATION, a national banking association, acting as security trustee under the Equipment Trust Agreement referred to below (hereinafter, in such capacity, called the **Assignee**).

WHEREAS the Assignor is a statutory trust created under the laws of Connecticut pursuant to the Trust Agreement dated as of the date hereof between Connell Finance Company, Inc., and State Street Bank and Trust Company of Connecticut, National Association;

WHEREAS Canadian National Railway Company and the Assignor are entering into that certain Lease of Railroad Equipment dated as of the date hereof covering 50 General Motors model SD-40-3 diesel-electric locomotives, bearing the road numbers GCFX 6030 through GCFX 6079, and all additions thereto, alterations thereof, replacements thereof and substitutions therefor; and

WHEREAS the Assignor and the Assignee are entering into that certain Equipment Trust Agreement dated as of the date hereof, pursuant to which the Assignor is assigning to the Assignee all of its right, title and interest in and to the aforesaid Lease of Railroad Equipment, all payments due and to become due thereunder, all rights of the Assignor to give consents, make elections, give or receive notices, give approvals and exercise all rights, powers and remedies of the Assignor thereunder, and all cash and non-cash proceeds therefrom, *excluding, however, certain interests specified as "Excluded Interests" in said Equipment Trust Agreement.*

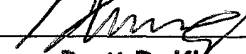
IN WITNESS WHEREOF, the parties wish to show for the public record the assignment of the aforesaid Lease of Railroad Equipment to the Assignee, and accordingly have caused this memorandum to be executed by their officers thereunto duly authorized, as of the date first above written.

CN 1997 STATUTORY TRUST,

by STATE STREET BANK AND TRUST COMPANY OF CONNECTICUT, NATIONAL ASSOCIATION, not in its individual capacity but solely as trustee,

by _____

FIRST SECURITY BANK, NATIONAL ASSOCIATION,
not in its individual capacity but solely as
security trustee

by  _____
Brett R. King
Assistant Vice President

10

STATE OF CONNECTICUT)
) SS.:
COUNTY OF HARTFORD)

On this day of December, 1997, before me personally appeared , to me personally known, who, by me being duly sworn, says that he is a of STATE STREET BANK AND TRUST COMPANY OF CONNECTICUT, NATIONAL ASSOCIATION, and that the foregoing instrument was signed on behalf of said association by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said association.

.....
Notary Public

My commission expires

STATE OF UTAH)
) SS.:
COUNTY OF SALT LAKE)

On this 5th day of December, 1997, before me personally appeared **Brett R. King**, to me personally known, who, by me being duly sworn, says that he is an Assistant Vice President of FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, and that the foregoing instrument was signed on behalf of said association by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said association.

Janice Bryant
.....
Notary Public

My commission expires

